



February 18, 2009

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## HOUSE BILL No. 1635

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DIGEST OF HB 1635 (Updated February 17, 2009 6:58 pm - DI 84)

**Citations Affected:** Noncode.

**Synopsis:** Property tax credit for unpaid rebate checks. Applies the amount of a warrant for the statewide rebate of property taxes on homesteads for taxes payable in 2007 that is unpaid for at least 180 days as a credit against future taxes on the same parcel, except in cases where the property is transferred or held by a creditor in a mortgage transaction that was secured by the property or surrendered for bankruptcy.

**Effective:** Upon passage.

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### **Bardon, Smith M, Hinkle, Bartlett**

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January 16, 2009, read first time and referred to Committee on Government and Regulatory Reform.  
February 17, 2009, amended, reported — Do Pass.

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HB 1635—LS 6205/DI 52+



February 18, 2009

First Regular Session 116th General Assembly (2009)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2008 Regular Session of the General Assembly.

## HOUSE BILL No. 1635

A BILL FOR AN ACT concerning taxation.

*Be it enacted by the General Assembly of the State of Indiana:*

1       SECTION 1. [EFFECTIVE UPON PASSAGE] (a) As used in this  
2       SECTION, "unpaid warrant" refers to a warrant issued by a  
3       county auditor for a refund of an additional 2007 homestead credit  
4       under P.L.234-2007, SECTION 300, as amended by P.L.1-2008,  
5       SECTION 5:

6               (1) that is issued before, on, or after the effective date of this  
7               SECTION;

8               (2) that is outstanding and unpaid for at least one hundred  
9               eighty (180) days after the warrant is issued; and

10              (3) to which P.L.146-2008, SECTION 865 does not apply.

11       (b) As used in this chapter, "property tax liability" refers to  
12       liability for the tax imposed on property under IC 6-1.1 determined  
13       after application of all credits and deductions, except the credit  
14       under this SECTION, but does not include any interest or penalty.

15       (c) Notwithstanding any provision in IC 5-11-10.5 or any other  
16       law, each unpaid warrant is void. An individual, a bank, a trust  
17       company, a building and loan association, or any other financial  
18       institution may not honor, cash, or accept for payment or deposit

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1 an unpaid warrant.

2 (d) Subject to subsections (e), (f), and (g), the county auditor  
3 shall determine which parcels are eligible and the amount to be  
4 applied and provide verified information for application of  
5 payments to the county treasurer at least forty-five (45) days  
6 before the next billing cycle. The county auditor:

7 (1) shall apply the amount of an outstanding warrant that is  
8 voided under subsection (c) as a credit against the property  
9 tax liability for property taxes first due and payable in 2008  
10 (for a reconciliation bill for 2008) or in 2009 or 2010  
11 attributable to the parcel for which the additional 2007  
12 homestead credit referred to in subsection (a) was originally  
13 determined; and

14 (2) shall not include interest in the determination of the credit  
15 under subdivision (1).

16 (e) The county auditor and county treasurer shall apply credits  
17 under subsection (d) against property taxes first due and payable,  
18 except in cases where the property is transferred or held by a  
19 creditor in a mortgage transaction that was secured by the  
20 property or surrendered for bankruptcy:

21 (1) in 2009, if on the effective date of this SECTION the  
22 county has not prepared and printed property tax statements  
23 for those taxes for issuance under IC 6-1.1-22 or  
24 IC 6-1.1-22.5;

25 (2) in 2010, if subdivision (1) does not apply; or

26 (3) in 2008 for the reconciliation bill, if on the effective date of  
27 this SECTION the county has not prepared and printed  
28 property tax statements for those taxes for issuance under  
29 IC 6-1.1-22 or IC 6-1.1-22.5.

30 (f) If an unpaid warrant relates to a parcel number that does not  
31 exist when a credit is applied under subsection (d) because of a split  
32 or consolidation of parcels, the county auditor and county  
33 treasurer shall:

34 (1) adjust the amount of the credit under subsection (d) to  
35 account for the change; and

36 (2) apply the adjusted amount of the credit to the property tax  
37 liability attributable to the current parcel or parcels.

38 (g) If the amount of a credit under subsection (d) exceeds the  
39 amount of the property tax liability against which the credit  
40 applies, the amount of the excess is not applied as a credit under  
41 this SECTION in any year.

42 (h) The application of a credit under this SECTION results in

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1 a reduction of the property tax collections of each political  
2 subdivision in which the credit is applied. A political subdivision  
3 may not increase its property tax levy to make up for that  
4 reduction.

5 (i) The county auditor shall in each calendar year notify each  
6 political subdivision in which the credit under this SECTION is  
7 applied of the reduction referred to in subsection (h) for the  
8 political subdivision for that year.

9 (j) This SECTION expires January 1, 2012.

10 SECTION 2. An emergency is declared for this act.

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## COMMITTEE REPORT

Mr. Speaker: Your Committee on Government and Regulatory Reform, to which was referred House Bill 1635, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, line 2, after "auditor" delete "and" and insert "**shall determine which parcels are eligible and the amount to be applied and provide verified information for application of payments to the county treasurer at least forty-five (45) days before the next billing cycle. The county auditor:**".

Page 2, delete line 3.

Page 2, line 6, after "payable" insert "**in 2008 (for a reconciliation bill for 2008) or**".

Page 2, line 13, delete "payable:" and insert "**payable, except in cases where the property is transferred or held by a creditor in a mortgage transaction that was secured by the property or surrendered for bankruptcy:**".

Page 2, line 17, delete "or".

Page 2, line 18, delete "apply." and insert "**apply; or**

**"(3) in 2008 for the reconciliation bill, if on the effective date of this SECTION the county has not prepared and printed property tax statements for those taxes for issuance under IC 6-1.1-22 or IC 6-1.1-22.5."**

and when so amended that said bill do pass.

(Reference is to HB 1635 as introduced.)

BARTLETT, Chair

Committee Vote: yeas 9, nays 0.

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